

BOF 15
(Rev. 10/79)

United States Bankruptcy Court DEC 27 1982

For the NORTHERN District of GEORGIA

John L. Prosser, Jr.

In re TARACORP. INC.
I. D. # 58-0703408

ATLANTA DIVISION

Deputy Clerk

Case No. 82-04654A

Debtor* NL Screw Machine, division of
NL Industries, Inc.

PROOF OF CLAIM

1. *[If claimant is an individual claiming for himself]* The undersigned, who is the claimant herein, resides at**

[If claimant is a partnership claiming through a member] The undersigned, who resides at**

is a member of
composed of the undersigned and
of**
doing business at**

a partnership.

and is authorized to make this proof of claim on behalf of the partnership.

[If claimant is a corporation claiming through an authorized officer] The undersigned, who resides at**

P.O. Box 1097, Hightstown, NJ 08520

is the Director of Corporate Credit of NL Industries, Inc.

a corporation organized under the laws of New Jersey

and doing business at** P.O. Box 1097, Hightstown, NJ 08520

and is authorized to make this proof of claim on behalf of the corporation.

[If claim is made by agent] The undersigned, who resides at**

is the agent of

of**

and is

authorized to make this proof of claim on behalf of the claimant.

2. The debtor was, at the time of the filing of the petition initiating this case, and still is indebted [or liable] to this claimant, in the sum of \$ 8,883.42

3. The consideration for this debt [or ground of liability] is as follows: Laboratory Services

4. *[If the claim is founded on writing]* The writing on which this claim is founded [or a duplicate thereof] is attached here to [or cannot be attached for the reason set forth in the statement attached hereto].

5

If appropriate This claim is founded on an open account, which became [or will become] due on various dates (statement attached) as shown by the itemized statement attached hereto.

Unless it is attached hereto or its absence is explained in an attached statement, no note or other negotiable instrument has been received for the account or any part of it.

6. No judgment has been rendered on the claim except. NONE

7. The amount of all payments of this claim has been credited and deducted for the purpose of making this proof of claim.

8. This claim is not subject to any setoff or counter-claim except

9. No security interest is held for this claim except

[If security interest in property of the debtor is claimed] The undersigned claims the security interest under the writing referred to in paragraph 4 hereof [or under a separate writing which [or a duplicate of which] is attached hereto, or under a separate writing which cannot be attached hereto for the reason set forth in the statement attached hereto]. Evidence of perfection of such security interest is also attached hereto.

10. This claim is a general unsecured claim, except to the extent that the security interest, if any, described in paragraph 9 is sufficient to satisfy the claim. *[If priority is claimed, state the amount and basis thereon]*

(Unsecured)

11. This claim is filed as a (n) (Secured) CLAIM
(Priority)

\$ 8,883.42

Total Amount Claimed

Claim Number
(For Office Use Only)

N-1

Name of Creditor: NL Screw Machine, division of NL Industries, Inc.
(Print or Type Full Name of Creditor)

Dated: December 9, 1982

Signed

Robert R. Holly

Robert R. Holly, Director of Corporate Credit

EPA Region 5 Records Ctr.



258691

Penalty for Presenting Fraudulent Claim: Fine of not more than \$5,000 or imprisonment for not more than 5 years or both-Title 18 U.S.C. 9152.

*Include all names used by Debtor within last 6 years

**State present address

United States Bankruptcy Court

For the NORTHERN District of GEORGIA

ATLANTA DIVISION

In re * TARACORP, INC., a/k/a
Evans Metals Company
Seitzingers, Imaco, and
Taracorp Industries

Debtor*

Case No. 82-04654A

PROOF OF CLAIM

1. [If claimant is an individual claiming for himself] The undersigned, who is the claimant herein, resides at **

[If claimant is a partnership claiming through a member] The undersigned, who resides at **

is a member of
composed of the undersigned and
of **

doing business at **

and is authorized to make this proof of claim on behalf of the partnership.

[If claimant is a corporation claiming through an authorized officer] The undersigned, who resides at **

is the

of

a corporation organized under the laws of
and doing business at **

and is authorized to make this proof of claim on behalf of the corporation.

[If claim is made by agent] The undersigned, who resides at ** Webb, Daniel & Betts, 1901 Cain Tower, 229 Peachtree Street, N.E., Atl., Ga., is the agent of NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y., 10020, of ** , and is authorized to make this proof of claim on behalf of the claimant.

2. The debtor was, at the time of the filing of the petition initiating this case, and still is indebted [or liable] to this claimant, in the sum of \$ See Exhibit "A" attached hereto

3. The consideration for this debt [or ground of liability] is as follows:

See Exhibit "A" attached hereto

4. [If the claim is founded on writing]

See Exhibit "B" attached hereto

5. [If appropriate] This claim is founded on an open account, which became [or will become] due on , as shown by the itemized statement attached hereto.

Unless it is attached hereto or its absence is explained in an attached statement, no note or other negotiable instrument has been received for the account or any part of it.

6. No judgment has been rendered on the claim except. N/A

7. The amount of all payments of this claim has been credited and deducted for the purpose of making this proof of claim.

8. This claim is not subject to any setoff or counter-claim except

9. No security interest is held for this claim except

[If security interest in property of the debtor is claimed] The undersigned claims the security interest under the writing referred to in paragraph 4 hereof [or under a separate writing which (or a duplicate of which) is attached hereto, or under a separate writing which cannot be attached hereto for the reason set forth in the statement attached hereto]. Evidence of perfection of such security interest is also attached hereto.

N

~~Continued on reverse side~~

16

Reverse Side

10. This claim is a general unsecured claim, except to the extent that the security interest, if any, described in paragraph 9 hereof is sufficient to satisfy the claim.
[If priority is claimed, state the amount and basis thereof.]

12. This claim is filed as a(n) (Unsecured)
(Secured) CLAIM.
(Priority)

\$ See Exhibit "A" attached hereto
Total Amount Claimed

Claim Number
(For Office Use Only)

Name of Creditor: NL Industries, Inc.

(Print or Type Full Name of Creditor)

Webb, Daniel & Betts, Authorized Agent

Dated: July 5, 1983

Signed: *[Signature]*

Comments (Use for additional information): POWER OF ATTORNEY

TO: PERSON(S) BEING GRANTED POWER OF ATTORNEY:

NAME: _____
(Type or Print: Name of person being granted power of attorney)

ADDRESS: _____
(Street Address, City, State, Zip)

Claimant hereby appoints the above-named person(s) and authorizes same, or any of them, with full power of substitution by same or any one of them: To attend all meetings of creditors, confirmation hearings and continuances thereof in the case of the debtor(s) named on the reverse side hereof; to receive all notices of meetings and hearings in said case; to receive all payments of dividends, and payments or deliveries of money or other consideration due the below-stated claimant's interest in said case.

Any power of attorney heretofore granted by said claimant as to said case is hereby revoked.

CLAIMANT: _____
(Type or Print: Name of Company, Corporation, Partnership or individual that is Claimant)

ADDRESS OF CLAIMANT: _____
(Street Address)

(City, State, Zip)

SIGNATURE: _____
(Signature of person making oath)

(Type or Print: Name and Capacity in which person makes oath)

ADDRESS OF SIGNATORY: _____
Street Address, City, State, Zip)

Sworn to and Subscribed before me this _____ day of _____, 19____.
Notary Public in and for the County and State of _____.

Penalty for Presenting Fraudulent Claim. Fine of not more than \$5,000 or imprisonment for not more than 5 years or both—Title 18, U.S.C., § 152.

NOTE: MAIL ALL CLAIMS TO: Johnny L. Pressley, Clerk
U. S. BANKRUPTCY COURT, Room 1340, R. B. R. Bldg.
75 Spring Street, S. W.
*Include all names used by debtor within last 6 years.
**State post office address.

EXHIBIT "A" TO PROOF OF CLAIM

ADMINISTRATIVE CLAIMS

Taracorp (Debtor) has failed to perform, pay or otherwise discharge certain obligations and liabilities pursuant to the terms and conditions of agreements entered into by Debtor and NL Industries, Inc. (Creditor), including, but not limited to: the agreement for the sale of assets dated August 22, 1979, and the instrument of assumption dated August 22, 1979; the alleged failure to perform, pay or otherwise discharge an agreement dated March 16, 1979 between NL Industries, Inc. and Sanders Lead Co., Inc., which is the subject matter of a civil action seeking Six Hundred Twenty-Five Thousand Dollars (\$625,000.00) in damages pending in the United States District Court, Middle District of Alabama, North Division, being styled Sanders Lead Co., Inc. v. NL Industries, Inc., Docket No. CA-82-822N; Debtor's failure to indemnify, defend and hold NL Industries, Inc. harmless with respect thereto; and Debtor's failure to perform, pay or otherwise discharge certain environmental obligations including without limitation the removal of a slag pile at Granite City, Illinois.

Debtor has failed to perform, pay or otherwise discharge certain obligations imposed upon Debtor by applicable environmental health and safety laws which may result in the imposition of derivative, vicarious, joint or secondary obligations and liabilities on NL Industries, Inc. to perform, pay or discharge such obligations of Debtor. Debtor's failure in this regard has resulted in general claims on NL Industries, Inc. and regulatory claims asserted or inchoate by the United States and the various States in which the Debtor has conducted operations. NL Industries, Inc. is entitled to indemnification and contribution for these claims, including, but not limited to, an action seeking Six Million Dollars (\$6,000,000) (all counts) in damages plus punitive damages pending in the United States District Court, State of Minnesota,

Third Division, being styled Golden Auto Parts Co., Inc. v. NL Industries, Inc.,

Taracord, Inc., et al., Docket No. 3-80-303,

The foregoing claims are unliquidated and some may be contingent.

EXHIBIT "B" TO PROOF OF CLAIM

NL Industries, Inc. will provide copies of the writings on which this claim is founded. Due to the complexity of this claim, all the writings have not been located and determined. NL Industries, Inc. is in the process of locating and determining the writings and will forward them to the Court.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

10/21/83

IN RE:)
)
TARACORP, INC., a/k/a) CHAPTER 11
EVANS METAL COMPANY,)
SEITZINGERS, IMACO, and) JUDGE HUGH ROBINSON
TARACORP INDUSTRIES,)
)
Debtor.) CASE NO. 82-04654A
)

TARACORP, INC. a/k/a)
EVANS METAL COMPANY,)
SEITZINGERS, IMACO and)
TARACORP INDUSTRIES,)
)
Movant,)
)
v.)
)
NL INDUSTRIES, INC. f/k/a)
NATIONAL LEAD INDUSTRIES, INC.)
)
Respondent.)

**RECEIVED
ENFORCEMENT PROGRAMS**

OCT 24 1983

Environmental Protection Agency

OBJECTION TO PROOF OF CLAIM
AND COUNTERCLAIM

COMES NOW the Debtor, Taracorp, Inc. ("Taracorp"),
and files this Objection to Proof of Claim, and moves this
Honorable Court to disallow the Proof of Claim filed herein
by NL Industries, Inc. f/k/a National Lead Industries, Inc.
("NL"), and shows the Court as follows:

1. NL has filed Proof of Claim No. N-16 herein,
alleging that Taracorp is liable to it in an amount which is
not specified but which may be as much as Six Million Six

Hundred Twenty-five Thousand Dollars (\$6,625,000). Any liability which Taracorp may have to NL is contingent and unliquidated.

2. The said Proof of Claim arises from the alleged failure on the part of Taracorp to perform, pay, or otherwise discharge certain obligations and liabilities allegedly arising out of certain agreements entered into between Taracorp and NL on August 22, 1979, involving the sale of certain assets to Taracorp by NL, and also allegedly requiring Taracorp to indemnify, defend, and hold harmless NL in certain respects, all of which NL alleges has resulted or may result in the imposition of certain derivative, vicarious, joint, or secondary obligations and liabilities on NL.

3. Taracorp and NL entered into certain agreements on August 22, 1979, pursuant to which Taracorp acquired from NL certain facilities in St. Louis Park, Minnesota and Granite City, Illinois.

4. The State of Minnesota, Minnesota Pollution Control Agency ("Minnesota") has filed Proof of Claim No. M-28 herein, alleging that Taracorp is liable to it on the basis of conditions which Minnesota alleges constitute violations of Minnesota's environmental protection laws by Taracorp at the facility in St. Louis Park, Minnesota acquired by Taracorp from NL.

5. Taracorp has filed an Objection to the Proof of Claim filed by Minnesota herein.

6. Taracorp never agreed to indemnify, defend, or hold harmless NL with respect to any claims involving the facility in St. Louis Park, Minnesota acquired by Taracorp from NL.

7. NL breached its duty to disclose to Taracorp all known or potential claims which had been or could be asserted against an owner of the St. Louis Park facility because of the manner and methods of NL's past operations, which failure has caused Taracorp to be damaged in the amount of at least \$10,000,000.

8. The People of the State of Illinois ex rel. Illinois Environmental Protection Agency ("Illinois") have filed Proof of Claim No. I-13 herein, alleging that Taracorp is liable to it on the basis of conditions which Illinois alleges constitute violations of Illinois' environmental protection laws by Taracorp at the facility in Granite City, Illinois acquired by Taracorp from NL.

9. Taracorp has filed an Objection to the Proof of Claim filed by Illinois herein.

10. Taracorp never agreed to indemnify, defend, or hold harmless NL with respect to any claims involving the facility in Granite City, Illinois acquired by Taracorp from NL.

11. NL breached its duty to disclose to Taracorp all potential claims which had been or could be asserted against an owner of the Granite City facility because of the manner and methods of NL's past operations, which failure has caused Taracorp to be damaged in the amount of at least \$25,000,000.

12. Any conditions that exist at the facilities in St. Louis Park, Minnesota and Granite City, Illinois acquired by Taracorp from NL on August 22, 1979, including any conditions that allegedly may constitute violations of Minnesota's and/or Illinois' environmental protection laws, existed before Taracorp acquired the said facilities from NL, and such conditions occurred during the ownership and operation of said facilities by NL.

13. Taracorp is not liable to Minnesota or Illinois for the conditions alleged to exist at the said facilities nor is it liable to NL if it is ultimately determined that NL is liable to Minnesota and/or Illinois with respect to violations of the environmental laws of either or both states.

14. NL, and not Taracorp, is liable to Minnesota and Illinois for any conditions existing at the said facilities which may constitute violations of the environmental laws of either state.

15. Taracorp is not obligated to indemnify, defend, or hold harmless NL with respect to any of the

claims asserted by Minnesota or Illinois in their respective Proofs of Claim filed herein, or with respect to any other claims, obligations, or liabilities.

16. If it is concluded that NL and Taracorp are both liable for violations of the environmental laws of either or both Illinois and Minnesota, the Court should determine and assess the liability between NL and Taracorp.

17. The only indemnification made by Taracorp to NL by the Agreement of August 22, 1979, was to indemnify NL with respect to claims asserted against NL after August 22, 1984, arising from ground water contamination at the Granite City facility. More than four years have expired since such Agreement and no claims have been asserted against NL arising from ground water contamination. Illinois has conducted numerous ground water tests at the Granite City facility and no ground water contamination exists. The value of such indemnification is zero.

18. Taracorp is not obligated to NL for any obligation NL may have to Sanders Lead Co., Inc.

WHEREFORE, Taracorp prays that this Honorable Court inquire into its Objection to Proof of Claim and Counterclaim and grant relief as follows:

1. That Taracorp be awarded \$35,000,000 in damages against NL.

2. That the Proof of Claim filed by NL, the same being Proof of Claim No. N-16, be disallowed in its entirety.

3. In the alternative, that the Court determine the amount of Taracorp's liability to NL and allow the said Proof of Claim in such amount only.

4. In the alternative, that the Court estimate, for the purpose of allowance, Taracorp's liability to NL and allow the said Proof of Claim in such amount only.

5. In the event it is determined that NL and Taracorp are both liable to Illinois for violation of its environmental laws, that the Court determine the amount for which NL and Taracorp are each liable and direct NL to make its contribution.

6. In the event it is determined that NL and Taracorp are both liable to Minnesota for violation of its environmental laws, that the Court determine the amount for which NL and Taracorp are each liable and direct NL to make its contribution.

7. That the Court grant such other and further relief as it deems equitable and just.

MACEY & SIKES

Morris W. Macey

Thomas R. Todd, Jr.

ARNALL, GOLDEN & GREGORY

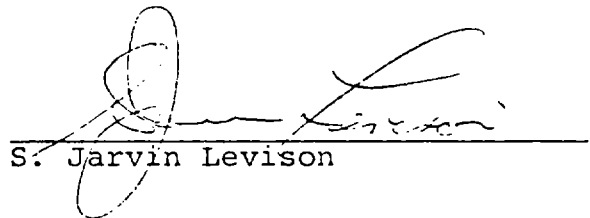
S. Jarvin Levison

CERTIFICATE OF SERVICE

This is to certify that I have this day served counsel for the opposing party in the foregoing matter with a copy of Debtor's Objection to Proof of Claim and Counterclaim by depositing said copy in the United States Mail in a properly addressed envelope with adequate postage thereon, addressed to:

Webb, Daniel & Betts
1901 Cain Tower
229 Peachtree Street, N.E.
Atlanta, Georgia 30303

This 21st day of October, 1983.


S. Jarvin Levison